



STATE OF MICHIGAN
STATE TRANSPORTATION COMMISSION
LANSING



JENNIFER M. GRANHOLM
GOVERNOR

January 18, 2007

The Honorable Jennifer M. Granholm
State Capitol
Lansing, Michigan 48933

Dear Governor Granholm:

Section 314 of the appropriation bill for the State Transportation Department for the Fiscal Year ending September 30, 2006, and the Department of Management and Budget, Administrative Guide to State Government, Procedure 1270.6, provide for a report prepared by the department's Internal Auditor on the internal audit activities for the prior fiscal year.

Enclosed is the Schedule of Internal Audit Activities for the Fiscal Year ended September 30, 2006, detailing the proportion of time spent in the various areas by the Office of Commission Audits, in the performance of its audit responsibilities. Also enclosed is the required listing of the audits completed during this period.

If you have any questions, please contact me or Jerry J. Jones, C.P.A., Commission Auditor, at (586) 469-5194 or (517) 373-2384, respectively.

Sincerely,

Ted B. Wahby
Chairman
State Transportation Commission

Enclosures

Michigan Department of Transportation
Office of Commission Audits
Schedule of Internal Audit Activities
Fiscal Year 2006

Statutory Responsibility	Proportion of Time
Internal Control Evaluations – Responsibilities with Biennial Reporting	
Financial Audits (Internal)	
Financial Audits (External)	49%
Economy and Efficiency, and Performance Audits	27%
Other Audit and Investigative Activities	9%
Serious or Flagrant Activities	2%
Sub-recipient Monitoring	
Professional Development & Administrative Support Activities	13%
Other	
Total	100%

Comments
See attached list for each audit.

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
CAPITAL REGION AIRPORT AUTHORITY	07/21/2006	AR-2006-50	2
Aeronautic Subtotal		1 Audit	2
ALGER COUNTY ROAD COMMISSION	09/27/2006	CM-2006-130	2
ALPENA COUNTY ROAD COMMISSION	04/25/2006	CM-2006-38	1
ANTRIM COUNTY ROAD COMMISSION	06/29/2006	CM-1999-90	1
ANTRIM COUNTY ROAD COMMISSION	06/29/2006	CM-2000-56	1
ARENAC COUNTY ROAD COMMISSION	08/29/2006	CM-2006-29	1
BAY COUNTY ROAD COMMISSION	07/17/2006	CM-2004-116	1
BAY COUNTY ROAD COMMISSION	07/17/2006	CM-2004-117	1
BENZIE COUNTY ROAD COMMISSION	11/18/2005	CM-2005-258	1
CLARE COUNTY ROAD COMMISSION	10/24/2005	CM-2005-233	1
CLINTON COUNTY ROAD COMMISSION	03/14/2006	CM-2006-12	2
CRAWFORD COUNTY ROAD COMMISSION	01/03/2006	CM-2005-234	1
DICKINSON COUNTY ROAD COMMISSION	02/17/2006	CM-2006-15	2
EMMET COUNTY ROAD COMMISSION	02/21/2006	CM-2006-24	1
GENESEE COUNTY ROAD COMMISSION	07/14/2006	CM-2001-167	1
GENESEE COUNTY ROAD COMMISSION	11/18/2005	CM-2005-95	1
GRATIOT COUNTY ROAD COMMISSION	09/29/2006	CM-2005-266	2
HILLSDALE COUNTY ROAD COMMISSION	03/13/2006	CM-2006-8	1
HOUGHTON COUNTY ROAD COMMISSION	05/18/2006	CM-2003-254	2
HURON COUNTY ROAD COMMISSION	08/24/2006	CM-2000-57	2
IONIA COUNTY ROAD COMMISSION	09/30/2006	CM-2006-99	1
JACKSON COUNTY ROAD COMMISSION	09/08/2006	CM-2006-62	2
KENT COUNTY ROAD COMMISSION	06/14/2006	CM-2005-265	1
LAKE COUNTY ROAD COMMISSION	10/27/2005	CM-2005-262	1
LEELANAU COUNTY ROAD COMMISSION	03/10/2006	CM-2006-19	2
LUCE COUNTY ROAD COMMISSION	08/18/2006	CM-2005-253	2
MACOMB COUNTY ROAD COMMISSION	07/28/2006	CM-2002-47	2
MACOMB COUNTY ROAD COMMISSION	09/08/2006	CM-2005-211	2
MONTCALM COUNTY ROAD COMMISSION	04/24/2006	CM-2005-221	2
MUSKEGON COUNTY ROAD COMMISSION	04/25/2006	CM-2006-48	2
NEWAYGO COUNTY ROAD COMMISSION	09/08/2006	CM-2006-18	2

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
OCEANA COUNTY ROAD COMMISSION	10/28/2005	CM-2005-256	1
OGEMAW COUNTY ROAD COMMISSION	03/31/2006	CM-2006-66	2
SANILAC COUNTY ROAD COMMISSION	11/18/2005	CM-2005-107	1
SCHOOLCRAFT COUNTY ROAD COMMISSION	10/28/2005	CM-2005-235	1
SHIAWASSEE COUNTY ROAD COMMISSION	03/21/2006	CM-2006-26	2
WASHTENAW COUNTY ROAD COMMISSION	03/22/2006	CM-2004-205	1
WEXFORD COUNTY ROAD COMMISSION	10/28/2005	CM-2005-259	1
County Maintenance Subtotal		37 Audits	53
ALFRED BENESCH & COMPANY	09/29/2006	CO-2006-216	5
ARBOR VISTA TRANSPORTATION, INC.	07/28/2006	CO-2004-198	1
BOYD GROUP, THE (ASRC, INC.)	08/11/2006	CO-2005-164	1
FISHBECK, THOMPSON, CARR & HUBER, INC.	02/22/2006	CO-2006-27	1
MANSELL ASSOCIATES, INC.	02/17/2006	CO-2006-64	1
NORDLUND & ASSOCIATES, INC.	09/27/2006	CO-2006-68	1
PROFESSIONAL SERVICE INDUSTRIES, INC.	10/20/2005	CO-2005-139	3
SPARTAN STEEL COATINGS	07/28/2006	CO-2006-74	1
WIGHTMAN & ASSOCIATES, INC.	09/27/2006	CO-2006-3	1
WILCOX PROFESSIONAL SERVICES, LLC	12/07/2005	CO-2006-6	3
Consultant Subtotal		10 Audits	18
DETROIT, CITY OF	08/08/2006	ED-2006-100	1
GENESEE COUNTY ROAD COMMISSION	02/15/2006	ED-2005-149	1
KALAMAZOO, CITY OF	01/30/2006	ED-2005-54	1
OAKLAND COUNTY, ROAD COMMISSION FOR	09/28/2006	ED-2006-84	1
Economic Development Subtotal		4 Audits	4
EAST TAWAS, CITY OF	07/13/2006	MM-2003-207	1
EASTPOINTE, CITY OF	11/23/2005	MM-2006-31	1
FLINT, CITY OF	09/07/2006	MM-2004-195	1
GRAND HAVEN, CITY OF	01/10/2006	MM-2006-46	1
HARBOR BEACH, CITY OF	11/23/2005	MM-2006-32	1
HOUGHTON, CITY OF	08/18/2006	MM-2006-168	1
JACKSON, CITY OF	07/18/2006	MM-2006-52	1
KALAMAZOO, CITY OF	07/20/2006	MM-2006-47	1

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
MENOMINEE, CITY OF	12/02/2005	MM-2006-45	1
ROSEVILLE, CITY OF	06/29/2006	MM-2006-51	1
Municipal Maintenance Subtotal		10 Audits	10
ALFRED BENESCH & COMPANY	02/28/2006	PA-2006-80	1
B.B.F. ENGINEERING SERVICES, PC	09/08/2006	PA-2006-197	1
BERGMANN ASSOCIATES, INC.	12/14/2005	PA-2006-57	1
BERGMANN ASSOCIATES, INC.	06/28/2006	PA-2006-153	1
BERGMANN ASSOCIATES, INC.	09/27/2006	PA-2006-206	1
CORRADINO GROUP OF MICHIGAN, INC.	11/10/2005	PA-2006-22	1
CORRADINO GROUP OF MICHIGAN, INC.	06/22/2006	PA-2006-146	1
CORRADINO GROUP OF MICHIGAN, INC.	09/12/2006	PA-2006-200	1
FISHBECK, THOMPSON, CARR & HUBER, INC.	03/24/2006	PA-2006-96	1
FISHBECK, THOMPSON, CARR & HUBER, INC.	04/20/2006	PA-2006-110	1
HARDESTY & HANOVER, LLP	11/02/2005	PA-2006-17	1
HNTB MICHIGAN, INC.	01/13/2006	PA-2006-67	1
HNTB MICHIGAN, INC.	04/11/2006	PA-2006-102	1
HNTB MICHIGAN, INC.	07/20/2006	PA-2006-170	1
HNTB MICHIGAN, INC.	08/11/2006	PA-2006-179	1
HNTB MICHIGAN, INC.	08/22/2006	PA-2006-184	1
OAKLAND COUNTY, ROAD COMMISSION FOR	11/07/2005	PA-2005-263	1
PARSONS BRINCKERHOFF MICHIGAN, INC.	11/02/2005	PA-2006-23	1
PARSONS BRINCKERHOFF MICHIGAN, INC.	07/20/2006	PA-2006-171	1
PORT HURON, CITY OF	06/23/2006	PA-2006-129	1
SOUTHEAST MICHIGAN COUNCIL OF GOVERNMENTS	12/13/2005	PA-2005-199	1
TETRA TECH OF MICHIGAN, PC (FORMERLY - TETRA TECH MPS)	02/01/2006	PA-2006-73	1
TETRA TECH OF MICHIGAN, PC (FORMERLY - TETRA TECH MPS)	05/26/2006	PA-2006-105	1
WILBUR SMITH ASSOCIATES, INC. MICHIGAN	10/17/2005	PA-2006-7	1
WILCOX PROFESSIONAL SERVICES, LLC	10/27/2005	PA-2006-16	1
WILCOX PROFESSIONAL SERVICES, LLC	12/02/2005	PA-2006-33	1
Pre-Award Subtotal		26 Audits	26
GENESEE COUNTY METROPOLITAN PLANNING COMMISSION	01/27/2006	PO-2006-53	2
Planning Subtotal		1 Audit	2

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
ALLEGAN COUNTY BOARD OF COMMISSIONERS	08/08/2006	PT-2004-107	4
BARAGA-HOUGHTON-KEWEENAW COMMUNITY ACTION AGENCY	12/02/2005	PT-2006-25	1
BAY AREA TRANSPORTATION AUTHORITY	09/29/2006	PT-2006-192	2
BAY METROPOLITAN TRANSPORTATION AUTHORITY	05/17/2006	PT-2006-126	2
BENZIE COUNTY COUNCIL ON AGING	10/28/2005	PT-2005-82	1
BERRIEN COUNTY BOARD OF COMMISSIONERS	05/17/2006	PT-2006-43	2
BERRIEN COUNTY BOARD OF COMMISSIONERS	09/22/2006	PT-2006-189	3
BLUE WATER AREA TRANSPORTATION COMMISSION	05/18/2006	PT-2006-116	4
CADILLAC/WEXFORD TRANSIT AUTHORITY	04/27/2006	PT-2006-103	2
CAPITAL AREA TRANSPORTATION AUTHORITY	08/07/2006	PT-2006-176	10
CLARE COUNTY BOARD OF COMMISSIONERS	04/26/2006	PT-2006-108	3
CLARE COUNTY TRANSIT CORPORATION	04/26/2006	PT-2006-109	3
CRAWFORD COUNTY TRANSPORTATION AUTHORITY	06/30/2006	PT-2006-42	2
GLADWIN COUNTY BOARD OF COMMISSIONERS	06/30/2006	PT-2005-194	2
INTERURBAN TRANSIT PARTNERSHIP	06/30/2006	PT-2006-151	6
IONIA, CITY OF	03/13/2006	PT-2006-55	1
KALAMAZOO, CITY OF	09/21/2006	PT-2006-183	3
KALKASKA PUBLIC TRANSIT AUTHORITY	06/30/2006	PT-2006-65	1
MANISTEE COUNTY BOARD OF COMMISSIONERS	05/17/2006	PT-2006-127	2
MARQUETTE COUNTY TRANSIT AUTHORITY	06/30/2006	PT-2006-128	2
MASS TRANSPORTATION AUTHORITY	08/11/2006	PT-2005-187	5
MIDLAND COUNTY BOARD OF COMMISSIONERS	07/28/2006	PT-2005-50	2
MIDLAND COUNTY BOARD OF COMMISSIONERS	05/17/2006	PT-2006-114	2
MIDLAND, CITY OF	04/28/2006	PT-2006-115	1
MILAN, CITY OF	07/18/2006	PT-2005-142	1
MUSKEGON COUNTY BOARD OF COMMISSIONERS	09/28/2006	PT-2006-148	1
ROSCOMMON COUNTY BOARD OF COMMISSIONERS	12/02/2005	PT-2006-41	1
SMART	08/01/2006	PT-2005-183	2
VAN BUREN COUNTY BOARD OF COMMISSIONERS	09/28/2006	PT-2006-185	1
YATES TOWNSHIP	12/02/2005	PT-2006-40	1
Public Transportation Subtotal		30 Audits	73
CENTRAL MICHIGAN RAILWAY COMPANY	07/27/2006	RR-2005-178	1

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
CONSOLIDATED RAIL CORPORATION	09/01/2006	RR-2005-237	2
ESCANABA & LAKE SUPERIOR RAILROAD	07/17/2006	RR-2005-236	1
NATIONAL RAILROAD PASSENGER CORPORATION	08/30/2006	RR-2002-263	4
NATIONAL RAILROAD PASSENGER CORPORATION	09/27/2006	RR-2004-36	1
NATIONAL RAILROAD PASSENGER CORPORATION	08/11/2006	RR-2005-246	3
Railroad Subtotal		6 Audits	12
MICHIGAN STATE UNIVERSITY	03/31/2006	UN-2002-216	8
University Subtotal		1 Audit	8
ALGER COUNTY ROAD COMMISSION	06/16/2006	UR-2005-79	1
ALLEN PARK, CITY OF	01/09/2006	UR-2005-35	1
ANN ARBOR, CITY OF	08/17/2006	UR-2005-127	3
BATTLE CREEK, CITY OF	08/17/2006	UR-2005-76	2
BENZIE COUNTY ROAD COMMISSION	10/27/2005	UR-2005-92	2
CARSON, CITY OF	04/28/2006	UR-2005-36	1
CHARLEVOIX COUNTY ROAD COMMISSION	01/05/2006	UR-2005-168	1
CHEBOYGAN COUNTY BOARD OF COMMISSIONERS	04/24/2006	UR-2006-112	1
CHEBOYGAN COUNTY ROAD COMMISSION	04/24/2006	UR-2005-184	1
CHIPPEWA COUNTY ROAD COMMISSION	01/05/2006	UR-2005-154	1
CRAWFORD COUNTY ROAD COMMISSION	10/27/2005	UR-2005-125	1
DETOUR VILLAGE OF	01/05/2006	UR-2005-24	1
DETROIT, CITY OF	09/22/2006	UR-2005-17	12
EAST GRAND RAPIDS CITY OF	04/05/2006	UR-2005-177	1
FARMINGTON HILLS, CITY OF	09/29/2006	UR-2006-2	2
FLAT ROCK, CITY OF	01/30/2006	UR-2005-133	1
FLINT, CITY OF	08/02/2006	UR-2006-36	3
GAYLORD, CITY OF	09/22/2006	UR-2006-1	1
GENESEE COUNTY ROAD COMMISSION	01/05/2006	UR-2005-23	2
GREENVILLE, CITY OF	09/26/2006	UR-2005-209	1
HOWELL, CITY OF	09/22/2006	UR-2006-111	1
IONIA, CITY OF	09/20/2006	UR-2006-39	1
IRON RIVER, CITY OF	09/26/2006	UR-2006-85	1
JACKSON, CITY OF	06/16/2006	UR-2005-122	1

Vendor/Agency	Report Date	Report Number	Projects\
			Agreements
LAKE COUNTY ROAD COMMISSION	09/06/2006	UR-2005-207	1
MACKINAC COUNTY ROAD COMMISSION	12/05/2005	UR-2005-261	1
MACOMB COUNTY ROAD COMMISSION	09/05/2006	UR-2006-9	2
MACOMB COUNTY ROAD COMMISSION	09/08/2006	UR-2006-173	18
MASON COUNTY ROAD COMMISSION	04/14/2006	UR-2005-174	1
MATTAWAN, VILLAGE OF	08/08/2006	UR-2005-99	1
MELVINDALE, CITY OF	09/26/2006	UR-2005-206	1
MICHIGAN DEPARTMENT OF NATURAL RESOURCES	02/21/2006	UR-2005-97	1
MONTAGUE, CITY OF	09/26/2006	UR-2005-21	1
MT. MORRIS, CITY OF	08/14/2006	UR-2005-25	1
MUSKEGON, CITY OF	09/28/2006	UR-2005-33	2
NORTHVILLE, CITY OF	09/26/2006	UR-2005-205	1
NORTON SHORES, CITY OF	04/12/2006	UR-2005-19	1
PECK, VILLAGE OF	08/14/2006	UR-2005-124	1
PONTIAC, CITY OF	03/31/2006	UR-2003-43	6
PORTAGE, CITY OF	04/13/2006	UR-2005-123	1
POTTERVILLE, CITY OF	03/31/2006	UR-2005-247	1
ROYAL OAK, CITY OF	09/27/2006	UR-2006-87	2
SOUTHGATE, CITY OF	08/03/2006	UR-2005-91	1
ST. CLAIR COUNTY ROAD COMMISSION	05/30/2006	UR-2005-195	1
WARREN, CITY OF	07/21/2006	UR-2005-20	1
WASHTENAW COUNTY ROAD COMMISSION	09/18/2006	UR-2006-181	1
WAYNE COUNTY OFFICE OF PUBLIC SERVICES	04/28/2006	UR-2005-77	2
WAYNE COUNTY OFFICE OF PUBLIC SERVICES	09/22/2006	UR-2006-119	8
ZILWAUKEE CITY OF	03/16/2006	UR-2005-150	1
Federal-Aid Urban Subtotal		49 Audits	101
ALLENDAL TELEPHONE COMPANY	06/16/2006	UT-2004-119	1
Utility Subtotal		1 Audit	1
Grand Totals for Financial Related Audits		176 Audits	310

Vendor/Agency	Report Date	Report Number	Projects\ Agreements
CONSTRUCTION & TECHNOLOGY SUPPORT AREA			
CONSTRUCTION OVERSIGHT	07/27/2006	OP-06-003	
INTERNAL AUDIT FOLLOW-UP			
OPEN RECOMMENDATIONS AS OF DECEMBER 31, 2005	03/30/2006	OP-06-001	
OPEN RECOMMENDATIONS AS OF JUNE 30, 2006	09/28/2006	OP-06-004	
MACKINAC BRIDGE AUTHORITY	06/29/2006	OP-06-002	
FINANCIAL AUDIT FOLLOW-UP			
OUTSTANDING AUDITS ISSUED PRIOR TO DECEMBER 31, 2005	03/30/2006	FF-06-001	
OUTSTANDING AUDITS ISSUED PRIOR TO JUNE 30, 2006	09/28/2006	FF-06-002	
Grand Total for Performance Audits		6	
MICHIGAN COUNTY ROAD COMMISSION SELF-INSURANCE REFUND	05/18/2006	SP-06-03	
Grand Total for Special Audits		1	